

STATE OF SOUTH CAROLINA )

COUNTY OF McCORMICK )

ASSIGNMENT OF LEASES AND  
OTHER PROPERTY RIGHTS

Released Attached

THIS ASSIGNMENT, executed as of the 25th day of October, 1988  
by

AMSELCO MINERALS INC.

(hereinafter referred to as "Assignor"), a Delaware corporation  
whose mailing address is 10 East South Temple, P.O. Box 11248, Salt  
Lake City, Utah 84147, to

GWALIA (U.S.A.) LTD.

(hereinafter referred to as "Assignee"), a Delaware corporation  
whose mailing address is 38-40 Parliament Place, West Perth,  
Western Australia 6005.

W I T N E S S E T H:

WHEREAS, Assignor and Hawk Resources (U.S.A.) Ltd., as the  
predecessor in interest to Assignee by reason of a change of name,  
entered into a Farmout Agreement dated the 31st day of December,  
1987, (the "Agreement") pursuant to which Assignor contributed  
certain leasehold and property interests described therein, known  
as the Barite Hill Project and situated in McCormick County, South  
Carolina, and Assignee, by making certain expenditures for the  
benefit of such leasehold and property interests, was to ultimately  
have earned a forty-nine percent (49%) undivided interest in  
Assignor's interest therein; and

WHEREAS, Assignor has heretofore assigned to Assignee, by a  
Special Warranty Deed dated as of December 31, 1987, an undivided  
1% interest in certain Properties and Related Rights (as defined  
in such Special Warranty Deed); and

WHEREAS, pursuant to Section 10 of the Agreement, Assignor  
reserved the right to sell its interest in the Properties and  
Related Rights, as those terms are defined in the Agreement, to  
Assignee for the amount of \$1,000,000, adjusted for inflation,  
which adjustment equals \$41,000 as of this date, said right being  
hereinafter referred to as the "Option"; and

WHEREAS, pursuant to Section 10 of the Agreement, Assignor  
has, by letter dated September 13, 1988, notified Assignee of its  
election to exercise the Option; and

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WHEREAS, this Assignment is being executed and delivered in connection with the closing under the Assignment of Barite Hill Properties and Assumption of Certain Agreements (the "Assignment and Assumption"), dated as of this date, between Assignor and Assignee.

NOW, THEREFORE, in consideration of the premises and mutual covenants and promises set forth in the Assignment and Assumption, and to fully effectuate the terms thereof, and in further consideration of the payment of the amount of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which Assignor hereby acknowledges, Assignor grants, bargains, releases, assigns, transfers, conveys, sets over and delivers to Assignee and its successors and assigns all of Assignor's right, title and interest in and to the following leases and agreements (the "Instruments"), together with the rights, members, hereditaments, and appurtenances thereto or in any way incident or appertaining, to have and to hold, all and singular, such interests unto Assignee, its successors and assigns forever:

1. Mineral Lease, dated November 18, 1983, between Gold Fields and Jennings Gary Dorn, Sr., Virginia M. Dorn, and Bettye Naomi Workman Dorn, a Memorandum of which is recorded at Book 65 of Deeds at Page 96, McCormick County, South Carolina. This being the same Mineral Lease which was assigned by Amselco Exploration Inc. to Amselco Minerals Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987, in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of ~~February 22~~, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina. *January 1*

2. Mineral Lease, dated November 18, 1983, between Gold Fields and Jennings Gary Dorn, Sr. and Virginia M. Dorn, a Memorandum of which is recorded at Book 65 of Deeds at Page 97, McCormick County, South Carolina. This being the same Mineral Lease which was assigned by Amselco Exploration, inc. to Amselco Minerals, Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987, in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed

January 1  
dated as of ~~February 22~~, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

3. Mining Lease and Option Agreement, dated December 14, 1974, between John Rainsford, Jr. and Continental Oil Company (as amended December 13, 1979), a Memorandum of which is recorded at Book 39 of Deeds at Page 44, McCormick County, South Carolina. This being the same Mineral Lease and Option Agreement which was assigned by Amselco Exploration, Inc. to Amselco Minerals, Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987, which is recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987 in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of ~~February 22~~, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

January 1  
4. Exploration Agreement with Option to Lease, dated September 1, 1985, between Bowater Incorporated, a Delaware corporation, successor in interest through merger to Catawba Timber Company and Amselco Minerals Inc., successor in interest through dissolution to Amselco Exploration Inc., a Memorandum of which is recorded at Book 80 of Deeds at Page 46, McCormick County, South Carolina. This being the same Exploration Agreement with Option to Lease which was assigned by Amselco Exploration, Inc. to Amselco Minerals Inc. pursuant to an Assignment of Leases of Real Property in McCormick County, South Carolina dated February 3, 1987 which was recorded in Deed Book 65 at Page 97, Deed Book 65 at Page 96, Deed Book 80 at Page 46, and Deed Book 39 at Page 44 on the 5th day of March, 1987 in the R.M.C. Office for McCormick County, South Carolina. A portion of the interest of Amselco Minerals Inc. in this property has been conveyed to Hawk Resources (U.S.A.) Limited, the predecessor in interest to Assignee, by Special Warranty Deed dated as of ~~February 22~~, 1988, recorded in Book 89 of Deeds at Page 106, McCormick County, South Carolina.

January 1  
5. Right-of-Way Easement Agreement, dated September 29, 1988, between Archie J. Lewis, Jr., and Amselco Minerals Inc., a Delaware corporation, which is recorded at Book 81 of Deeds at Page 88, McCormick County, South Carolina.

6. Option to Purchase Real Property Agreement, dated June 15, 1988, between Cornelius B. Young and Amselco Minerals Inc., a Delaware corporation, a Memorandum of which is recorded at Book 332 of Deeds at Page 635, Greenwood County, South Carolina.

Concurrently with the execution and delivery hereof, or as soon as practicable thereafter, Assignor has delivered, or will

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deliver, as the case may be, true and complete originals of the foregoing Instruments, including any amendments thereto, to Assignee. Assignor shall indemnify and save harmless Assignee from and against any loss, cost, damage, or expense that Assignee may suffer by reason of any failure by Assignor to deliver true and complete originals of such Instruments.

Assignor represents and warrants as follows:

- (i) that no default or event which with the passage of time or the giving of notice or both, would constitute an event of default under the Agreement has occurred;
- (ii) no default by Amselco under or, to the best knowledge of Amselco, event that, with the passage of time or the giving of notice or both, would constitute an event of default under any Instrument has occurred;
- (iii) that the Agreement, and, to the best knowledge of Amselco, each Instrument is in full force and effect;
- (iv) Amselco is the sole owner of the right, title and interest of the lessee or of Amselco Minerals Inc. under each of the Instruments (except for the undivided 1% interest therein heretofore conveyed to Gwalia) and that it has the right and power to make the conveyance effectuated by the execution and delivery of this Assignment without the consent of any person or authority;
- (v) that the property interests herein conveyed are not subject to any lien, claim or encumbrance of any kind whatsoever created by, through or under Amselco;
- (vi) that Amselco and its successors and assigns shall warrant and defend title to the Instruments against all persons claiming title to or any interest in the Instruments to the extent such claim relates to an interest allegedly derived directly from, through or under Amselco, its successors, or assigns; and
- (vii) that Amselco is a corporation organized, validly existing, and in good standing under the laws of Delaware.

IN WITNESS WHEREOF, Assignor has caused this Assignment to be executed under seal as of the day and year first above written.

AMSELCO MINERALS INC.

Signed, sealed and delivered  
in the presence of:

John L. Fouse  
Joy M. Skiver

P. J. Bernhisel  
By: P. J. Bernhisel  
Its: Vice President Finance &  
Control

Richard E. Pierce, Jr.  
Attest: Richard E. Pierce, Jr.  
Assistant Secretary

STATE OF UTAH )  
COUNTY OF SALT LAKE ) PROBATE

I, the undersigned, being duly sworn, depose and state on oath that I saw Amselco Minerals Inc., by P. J. Bernhisel, its Vice President Finance & Control, and Richard E. Pierce, Jr., its Assistant Secretary, sign, seal and deliver the foregoing Assignment and that I, together with Joy M. Skiver, witnessed the execution thereof.

John L. Fouse  
Sworn and subscribed before me  
this 25th day of October, 1988.

John H. Brunell  
Notary Public, State of Utah  
My Commission Expires: 4-15-89

6<sup>00</sup>  
 24<sup>00</sup>  
 130<sup>00</sup> (107)

STATE OF SOUTH CAROLINA  
 COUNTY OF McCORMICK  
 filed for record this  
Feb 2 1989  
 at 3:20 o'clock PM  
 and duly recorded in  
 Book 89 of Deeds  
 page 107.

Kathryn P. Butler  
 Clerk of Court  
 McCormick County  
 South Carolina

AUDITOR'S OFFICE  
 McCORMICK COUNTY

Recorded this 3  
 day of Feb. 1989  
 in Book 7, Page 122

Jewel P. McGrath Auditor

STATE OF SOUTH CAROLINA

COUNTY OF MCCORMICK

RELEASE

Release given February 6, 1989<sup>90</sup> by Gwalia (USA) LTD of Denver, Colorado to Saluda River Electric Cooperative, Inc. of Post Office Box 929, Laurens, South Carolina 29360.

On October 25, 1988 Amselco Minerals, Inc. granted to Gwalia (USA) LTD a easement of record in Deed Book 89 Page 107 in the Office of Clerk of Court for McCormick County, for mineral rights across land described as follows:

All that piece, parcel or tract of land, lying and being situate in the County of McCormick, State of South Carolina containing 11.40 acres more or less consisting of a 80 foot right-of-way and being more particularly described on a plat of survey made for Saluda River Electric Cooperative, Inc. by Freeland-Clinkscales Associates, Inc. R.L.S. 4781, entitled property of Georgia Pacific and being dated September 11, 1989 and recorded in the Office of Clerk of Court for McCormick County in Plat Book 7 Page 35 reference being made to said plat for a more accurate description according to its meters and bounds.

In consideration of One (\$1.00) Dollar and other valuable consideration which is hereby acknowledged Gwalia (USA) LTD through its authorized representative, hereby releases to Saluda River Electric Cooperative, the easement described above, it being the intention of the parties to terminate said easement as it applies to the aboved described land. Notwithstanding this release, Saluda River Electric Cooperative, Inc. will at its own expense move its lines when such lines interfere with the mining operations of Gwalia (USA) LTD to another location on aforesaid land. The transmission line shall be moved by Saluda River Electric Cooperative, Inc. on not less than 180 days written notice from Gwalia (USA) LTD. The transmission line shall be located not closer than 500 feet to all land identified in the notice from Gwalia (USA) LTD.

IN WITNESS WHEREOF, Gwalia (USA) LTD has executed this release the day any year first above written.

WITNESS:

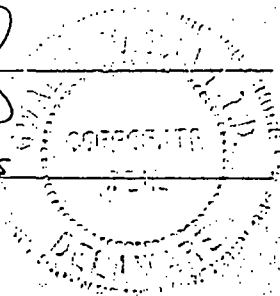
Gwalia (USA) LTD

David H. Harrison

[Signature]

Randy B. Garate

VP-Operations



GEORGIA  
STATE OF ~~COLORADO~~  
COLUMBIA  
COUNTY OF ~~DENVER~~

PROBATE

PERSONALLY appeared before me David Halverson  
and made oath that he saw the within named Michael Drozd  
by the hand of Michael Drozd  
sign, affix the corporate seal, and as the act and deed of said  
corporation deliver the within release for the uses and purposes  
therein mentioned, and that he with Randy Garate  
witnessed the execution thereof.

SWORN before me this 6<sup>th</sup>  
day of February, 1990.

Beverly A. Wilson  
Notary Public of Colorado Columbia, Georgia  
My Commission Expires: Aug. 6, 1993  
Notary Public, Columbia County, Georgia  
My Commission Expires Aug. 6, 1993

STATE OF SOUTH CAROLINA  
COUNTY OF McCORMICK  
filed for record this

3-2-90  
at 945 o'clock AM  
and duly recorded in  
Book 89 of Deeds  
page 107.

Katharine Butler  
Clerk of Court  
McCormick County  
South Carolina



GEORGIA  
STATE OF ~~COLORADO~~  
COLUMBIA  
COUNTY OF ~~DENVER~~

PROBATE

PERSONALLY appeared before me David Halverson  
and made oath that he saw the within named Michael Drozd  
by the hand of Michael Drozd  
sign, affix the corporate seal, and as the act and deed of said  
corporation deliver the within release for the uses and purposes  
therein mentioned, and that he with Randy Garate  
witnessed the execution thereof.

SWORN before me this 6th  
day of February, 1990.

Beverly A. Wilson  
Notary Public of ~~Colorado~~ Columbia Co., Georgia  
My Commission Expires: Aug 6, 1993

Notary Public, Columbia County, Georgia  
My Commission Expires Aug. 6, 1993

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page 107.

Kathryn P. Butler  
Clerk of Court  
McCormick County  
South Carolina

STATE OF SOUTH CAROLINA

COUNTY OF MCCORMICK

RELEASE

Release given February 6, 1990 by Gwalia (USA) LTD of Denver, Colorado to Saluda River Electric Cooperative, Inc. of Post Office Box 929, Laurens, South Carolina 29360.

On October 25, 1988 Amselco Minerals, Inc. granted to Gwalia (USA) LTD a easement of record in Deed Book 89 Page 107 in the Office of Clerk of Court for McCormick County, for mineral rights across land described as follows:

All that piece, parcel or tract of land, lying and being situate in the County of McCormick, State of South Carolina containing 11.40 acres more or less consisting of a 80 foot right-of-way and being more particularly described on a plat of survey made for Saluda River Electric Cooperative, Inc. by Freeland-Clinkscales Associates, Inc. R.L.S. 4781, entitled property of Georgia Pacific and being dated September 11, 1989 and recorded in the Office of Clerk of Court for McCormick County in Plat Book 7 Page 35 reference being made to said plat for a more accurate description according to its meters and bounds.

In consideration of One (\$1.00) Dollar and other valuable consideration which is hereby acknowledged Gwalia (USA) LTD through its authorized representative, hereby releases to Saluda River Electric Cooperative, the easement described above, it being the intention of the parties to terminate said easement as it applies to the aboved described land. Notwithstanding this release, Saluda River Electric Cooperative, Inc. will at its own expense move its lines when such lines interfere with the mining operations of Gwalia (USA) LTD to another location on aforesaid land. The transmission line shall be moved by Saluda River Electric Cooperative, Inc. on not less than 180 days written notice from Gwalia (USA) LTD. The transmission line shall be located not closer than 500 feet to all land identified in the notice from Gwalia (USA) LTD.

IN WITNESS WHEREOF, Gwalia (USA) LTD has executed this release the day any year first above written.

WITNESS:

Gwalia (USA) LTD

David Holmerson

[Signature]

Randy B. Garate

VP-Operations

COUNTY OF MCCORMICK

RELEASE

Release given 5 February 1982, 198~~2~~<sup>0</sup> by Gwalia (USA) LTD of Denver, Colorado to Saluda River Electric Cooperative, Inc. of Post Office Box 929, Laurens, South Carolina 29360.

On October 25, 1988 Virginia Dorn granted to Gwalia (USA) LTD an easement of record in Deed Book 89 Page 107 in the Office of Clerk of Court for McCormick County, for mineral rights across land described as follows:

All that piece, parcel and tract of land, lying and being situate in the County of McCormick, State of South Carolina, containing 4.59 acres, more or less and being more particularly described on plat of survey made for Saluda River Electric Cooperative of Freeland-Clinkscales Associates, Inc. R.L.S. 4781, entitled "Virginia Dorn Property" and being dated August 22, 1989 and recorded in the Office of Clerk of Court for McCormick County in Plat Book 15 Page 167, reference being made to said plat for a more accurate description, as to its courses and distances, meters and bounds. According to said plat the 4.59 acres is described as follows, to wit:

Beginning at I.N. being located at the southeastern most corner, contiguous to lands now or formerly of Champion International and a existing transmission right-of-way thence S38-15-24W, 419.69 feet to I.N.; thence N19-30-28W, 675.32 feet to I.N.; thence N70-29-32E, 355.0 feet to I.N.; thence S19-30-27E, 451.46 feet to beginning I.N.

In consideration of One (\$1.00) Dollar and other valuable consideration which is hereby acknowledged Gwalia (USA) LTD through its authorized representative, hereby releases to Saluda River Electric Cooperative, the easement described above, it being the intention of the parties to terminate said easement as it applies to the aboved described land.

IN WITNESS WHEREOF, Gwalia (USA) LTD has executed this release  
the day any year first above written.

WITNESS:

Gwalia (USA) LTD

Donald F. Rounds  
Jury

Wieland

STATE OF COLORADO  
COUNTY OF DENVER

PROBATE

PERSONALLY appeared before me Linda Rounds  
and made oath that he saw the within named Michael Drozd, Officer of  
Gwalia (USA) LTD by the hand of Michael Drozd  
sign, affix the corporate seal, and as the act and deed of said  
corporation deliver the within release for the uses and purposes  
therein mentioned, and that he with Joseph Diaz  
witnessed the execution thereof.

SWORN before me this 5th  
day of February, 1990.

Linda J. Rounds

Patricia Ann Murphy  
Notary Public of Colorado

My Commission Expires: 5/17/93

STATE OF SOUTH CAROLINA  
COUNTY OF MCCORMICK  
filed for record this

3-2-90  
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Clerk of Court  
McCormick County  
South Carolina